



Iowa Department of Human Services

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Director

INFORMATIONAL LETTER NO.1394

DATE: June 9, 2014

TO: Iowa Medicaid Targeted Case Managers and Case Managers

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: New Definition of Case Management Billable Activities-Revised

EFFECTIVE: July 1, 2014

*******This letter replaces Informational Letter No. 1391 dated June 2, 2014*******

In the fall of 2013, a workgroup comprised of representatives from Targeted Case Management (TCM), Case Management (CM) agencies, and the Department of Human Services (DHS) was convened to review and make recommendations regarding TCM and CM reimbursement through Iowa Medicaid. The department convened this workgroup to assist in further developing options in response to the Health and Human Services appropriation bill, Senate File 446: "The department shall implement the following cost containment strategies for the medical assistance program and shall adopt emergency rules for such implementation: (8) the department shall develop a new reimbursement methodology for medical assistance targeted case management that applies appropriate cost limits." This statute was implemented through Iowa's rulemaking process that included new cost limits within TCM and CM reimbursement.

In reviewing further options, the workgroup noted that no standards existed for how TCM and CM must be billed. The workgroup confirmed that each TCM and CM provider determined the activities they bill. This lack of consistent billing practices makes it impossible to develop a standard reimbursement methodology. Therefore, the first step in implementing a standard reimbursement methodology is to establish consistency in billing practices. As a result, the department has made the following decisions:

1. The department will not pursue any changes in the TCM or CM reimbursement rate for SFY15. The changes made for SFY14 will remain in place as included in the Iowa Administrative Code (IAC) 441-Chapter 79.1.
2. The department will establish a definition of billable activities in the IAC 441-Chapter 90.5. Currently, there is a definition for a billable unit but not a definition of billable activities in the IAC. This new definition must be followed by all TCM and CM providers no later than the effective date of the proposed rule. It is recommended that each provider implement this rule beginning July 1, 2014, to avoid using two different definitions of billable activities in one fiscal year. The previously distributed billable activities list (revision 4/1/11), will be invalid once the new IAC rule becomes effective.

Billable Activities for TCM and CM:

The definition of billable activities for TCM and CM includes all of the following activities. Each activity must also adhere to any criteria included in the IAC.

- a. Face to face meeting with the member
 - (1) Contact time
 - (2) Documentation completed during meeting
- b. Phone conversation with the member
 - (1) Contact time
 - (2) Documentation completed during meeting
- c. Collateral contacts on behalf of the member including face to face, phone, and email
 - (1) Contact time
 - (2) Documentation completed during meeting
- d. Individual Care Plans
 - (1) Creation
 - (2) Revision
- e. Social histories
 - (1) Creation
 - (2) Revision
- f. Assessments
 - (1) Creation
 - (2) Revision
 - (3) Core Standardized Assessment participation

Documentation done outside of the encounter (face to face or phone conversation) would not be considered a billable activity. Actions taken on the other listed activities (items d through f) should be done efficiently.

If you have any questions concerning the proposed Billable Activity Rule, please contact **Leann Howland** at lhowlan@dhs.state.ia.us.